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Before the Federal Communications Commission Washington, DC 20554

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In the Matter of)	REOF
Application of WorldCom, Inc. and MCI Communications Corp.		RECEIVED JUN 1 8 1998
for Transfer of Control of MCI) FE	DERAL COMMUNICATION
Communications Corp. to WorldCom, Inc.)	DERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

OPPOSITION OF BELL ATLANTIC TO JOINT OBJECTION OF WORLDCOM, INC. AND MCI COMMUNICATIONS CORPORATION TO DISCLOSURE OF STAMPED CONFIDENTIAL DOCUMENTS

WorldCom and MCI have asked the Commission to preclude two of Bell Atlantic's in-house lawyers – Edward Young and John Thorne – from reviewing documents subject to the Protective Order released June 5, 1998. This request should be promptly denied. The motion would deprive Bell Atlantic of the two centrally responsible senior attorneys representing its interests in this proceeding, and neither Mr. Young nor Mr. Thorne falls within the Commission's clearly articulated disqualification standard – a standard that rejects a general bar on in-house lawyers and instead draws a line that distinguishes the normal lawyer's role from the role of a business person (who happens to be a lawyer) for whom information about competitors would factor into business decisions. Because Mr. Young and Mr. Thorne act well within the normal lawyer's role, their promises of confidentiality are sufficient under the Protective Order to prevent its misuse.

Under paragraph 3 of the Protective Order, in-house counsel are barred only if they are "involved in competitive decision-making," that is, their relations with their client "involve counsel's advice and participation in any or all of the client's business decisions made in light of

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similar or corresponding information about a competitor." This standard applies only if a particular in-house lawyer goes beyond giving legal advice relevant to business decisions (which is intrinsic to the lawyer's role) and instead contributes to the competitive aspects of business decisions — what product designs, prices, marketing plans, etc., would be most advantageous competitively. As the attached declarations of Mr. Young and Mr. Thorne attest, neither one of them crosses that line. Bell Atlantic relies on them for legal analysis (including regulatory analysis) and litigation — just as it relies on its outside lawyers — and does not turn to either one of them for economic, competitive analysis of product-design, pricing, marketing, etc., options.

These declarations are determinative of the issue: they are lawyers, not business people, and the signed pledges of confidentiality will protect the information at issue from competitive misuse.

WorldCom and MCI, of course, make no allegation that Mr. Young or Mr. Thorne have any record whatever of violating prior confidentiality orders under which they have reviewed documents. Instead, they suggest that Mr. Young and Mr. Thorne do not function as lawyers but as business officers. These suggestions are baseless.

Most seriously, as to Mr. Young, they note that, three years ago, an article reported that he oversaw "68 nonlawyers, whose functions include[d] the complex processes of setting prices." See WorldCom/MCI Objection at 3. But even that role did not make him a competitive decisionmaker, because the referred-to nonlawyers were simply the tariff-filing staff of Bell Atlantic, whose job was to translate the competitive pricing decisions of business people into legally proper tariffs. And, in any event, as Mr. Young attests in his declaration, he no longer oversees that function within Bell Atlantic.

Less seriously, but more pervasively, WorldCom and MCI quote several sources indicating that Mr. Young and Mr. Thorne are "involved in" important company decisions and "work closely with" the business side of the company. WorldCom/MCI Objection at 3, 4.

Those facts, however, lend no support to the contention that the "competitive decision-making" line has been crossed. A competent lawyer, in giving legal advice, is "involved in" business decisions and "work[s] closely" with the business people who are his or her clients; and for a heavily regulated company like Bell Atlantic, legal advice is very frequently important to company decisions. What matters under the Commission's standard is what role the lawyer plays, not how large a role the lawyer plays, in company decisions. Mr. Young and Mr. Thorne perform important legal roles, not competitive decision-making roles, and therefore fall outside the Protective Order's rule precluding certain in-house counsel from access to protected documents.

By way of comparison, in the Bell Atlantic/NYNEX merger, senior in-house counsel at both MCI and AT&T were permitted to review and file written comments about Bell Atlantic's most competitively-sensitive and confidential documents. MCI's in-house counsel who signed MCI's brief in that proceeding was Lisa B. Smith, who according to her attached biography "plays a key role in the development of strategic policy for MCI's entry into the local telephone market" See http://www.nsu.edu/events/conference97/bios/htm. AT&T's Vice President for Law and Public Policy, Mark Rosenblum, who had full access to Bell Atlantic's documents in order to prepare AT&T's brief in that proceeding, performs a similar role at AT&T and often serves as the company's spokesperson. By contrast, neither Mr. Young nor Mr. Thorne perform competitive decision-making roles at all.

The request of WorldCom and MCI to bar Mr. Young and Mr. Thorne from access to documents should be denied.

Respectfully submitted,

John Thorne

Edward D. Young, III
Bell Atlantic Corp.
1320 North Courthouse Road

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703 974-1600

June 18, 1998

Before the Federal Communications Commission Washington, DC 20554

In the Matter of)	
Application of WorldCom, Inc.	j	CC Docket No. 97-211
and MCI Communications Corp.)	
for Transfer of Control of MCI)	
Communications Corp. to	Ć	
WorldCom, Inc.)	

DECLARATION OF EDWARD D. YOUNG, III

- 1. I, Edward Young, make this declaration in response to the Joint Objection of WorldCom, Inc. and MCI Communications Corp. to Disclosure of Stamped Confidential Documents (dated June 12, 1998), requesting that I be precluded from reviewing documents covered by the Protective Order released in this proceeding on June 5, 1998.
- 2. My title at Bell Atlantic is Senior Vice President & Deputy General Counsel. My job is to provide legal representation and advice relating to regulatory proceedings at the FCC, the State commissions, and the courts that affect the interests of Bell Atlantic. As an active advocate in the current proceeding, I have reviewed and edited all the briefs Bell Atlantic has filed at the FCC concerning the WorldCom/MCI merger. Prior to the merger of Bell Atlantic and NYNEX, I also performed external affairs functions including the drafting and filing of tariffs reflecting company prices, but those functions are now performed by Tom Tauke and Toby Webb rather than me. The 68 non-lawyers that formerly were in my organization now report to them.
- 3. I act as a lawyer in and for the company, not as a business officer. In particular, I work "with" the business side of the company, as all lawyers work with their clients, in that I provide

legal advice (in my case, about regulatory issues) to business people in the company. But Bell Atlantic makes its business decisions about what products, prices, marketing strategies, etc., are most competitively advantageous without my analyzing or contributing information, or playing a decisionmaking role, on those competitive business issues. The business people in the company perform those functions.

4. For those reasons, I do not come within the standard of involvement in "competitive decision-making" as the Commission articulated it in its Order Adopting Protective Order, dated June 5, 1998, at ¶ 5.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 17, 1998.

Edward D. Yo

Before the Federal Communications Commission Washington, DC 20554

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Application of WorldCom, Inc.)	CC Docket No. 97-211
and MCI Communications Corp.)	
for Transfer of Control of MCI)	
Communications Corp. to)	
WorldCom, Inc.)	

DECLARATION OF JOHN THORNE

- 1. I, John Thorne, make this declaration in response to the Joint Objection of WorldCom, Inc. and MCI Communications Corp. to Disclosure of Stamped Confidential Documents (dated June 12, 1998), requesting that I be precluded from reviewing documents covered by the Protective Order released in this proceeding on June 5, 1998.
- 2. My title at Bell Atlantic is Senior Vice President & Deputy General Counsel. My job is to provide legal representation and advice relating to court and regulatory proceedings that affect the interests of Bell Atlantic. My principal duties are to write briefs and argue cases involving antitrust, regulatory, and intellectual property issues. For example, I wrote most of the briefs Bell Atlantic has filed in connection with WorldCom/MCI merger. I have no non-lawyers reporting directly or indirectly to me other than a legal secretary and several paralegals.
- 3. I function as a lawyer in and for the company, not as a business officer. In particular, I work "with" the business side of the company, as all lawyers work with their clients, in that I provide <u>legal</u> advice and representation to business people in the company. But Bell Atlantic makes its business decisions about what products, prices, marketing strategies, etc., are most

competitively advantageous without my analyzing or contributing information, or playing a decisionmaking role, on those competitive business issues. The business people in the company perform those functions.

4. For those reasons, I do not come within the standard of involvement in "competitive decision-making" as the Commission articulated it in its Order Adopting Protective Order, dated June 5, 1998, at ¶ 5.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 18, 1998.

John Thorne

LISA B. SMITH

Senior Policy Counsel MCI Communications Corporation

Lisa Smith is Senior Policy Counsel, Local Markets and Enforcement for MCI Communications Corporation. In this capacity Ms. Smith plays a key role in the development of strategic policy for MCI's entry into the local telephone market and the development and implementation of enforcement strategies at the Federal Communications Commission.

Prior to joining MCI in June, 1996, Ms. Smith was Senior Legal Advisor to FCC Commissioner Andrew Barrett. In this position she advised and assisted the Commissioner in formulating and implementing regulatory policy regarding broadcasting, cable television and wireless technologies.

Before joining the FCC, Ms. Smith worked in the private sector. From 1989 to 1993 she was a Senior Associate at Smith, Don, Alampi & D'Argenio where she specialized in cable law and worked on corporate litigation matters. Ms. Smith spent the two previous years at Paragon Cable Manhattan, where she ensured that company policy complied with federal, state and local regulations.

Ms. Smith graduated from Wesleyan University with a B.A. in English and Government. She received her J.D. from Rutgers University, and is a member of the Federal Communications Bar Association and the National Bar Association.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY on this 18th day of June, 1998, I mailed a copy of the foregoing Opposition of Bell Atlantic to Joint Objection by first class mail, postage prepaid, unless otherwise indicated, to the attached list of people.

Vanafum S. Junt Nancy Ann Z. Huht

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